



**DEPARTMENT OF INSURANCE
STATE OF ARIZONA**

Financial Affairs Division - Compliance Section
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018-7269
Phone: (602) 364-3998
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**ANNUAL STATEMENT INSTRUCTIONS FOR
FOREIGN AND ALIEN INSURERS AND ACCREDITED REINSURERS**

Not applicable to Foreign/Alien Risk Retention Groups or Insurers filing Health Annual Statement

THESE INSTRUCTIONS AND FORMS ARE APPLICABLE TO THE FOLLOWING TYPES OF INSURERS AND REINSURERS. YOUR ARIZONA CERTIFICATE OF AUTHORITY DICTATES YOUR COMPANY TYPE:

Life and/or Disability Insurer*
Property and/or Casualty Insurer*
Mortgage Guaranty Insurer (only)
Title Insurer

Fraternal Benefit Society
Prepaid Legal Insurer (only)
Accredited Life/Disability Reinsurer*
Accredited Property/Casualty Reinsurer*

**NOTE: Insurers filing the Health Annual Statement must use Form E-INSTRUCTION.HEALTH
Qualified Reinsurer Trust and Qualified Reinsurer based on Surplus use Form E-QRT.I.*

ANNUAL STATEMENTS FOR ALL COMPANY TYPES LISTED ABOVE ARE DUE MARCH 1

SECTION I: THE FOLLOWING INSTRUCTIONS ARE APPLICABLE TO ALL OF THE TYPES OF INSURERS AND REINSURERS LISTED ABOVE UNLESS NOTED OTHERWISE

1. N.A.I.C. FILING REQUIREMENTS - A.R.S. § 20-234

The following must be received at the N.A.I.C. not later than March 1. Contact N.A.I.C. Publications Department at (816) 783-8300 for filing instructions or assistance.

- a) **Hard Copy** of the Annual Statement in accordance with specifications
- b) **Annual Statement Diskette or Internet** (electronic) filing.
- c) **Risk Based Capital Report**, hard copy and electronic filing.
- d) Required **filing fee**

2. ARIZONA FILING - ANNUAL STATEMENT SPECIFICATIONS

ONE HARD COPY: 8-1/2" X 14" Statement in two-sided book form is **REQUIRED**, and **MUST**

- a) Include a verified **Actuarial Opinion** signed by a duly qualified actuary ATTACHED to the inside of the front cover.
- b) Be completed in a **legible** manner.
- c) Include **NOTARIZED SIGNATURES OF AT LEAST TWO (2) EXECUTIVE OFFICERS, WHO ARE LISTED ON THE JURAT PAGE.**
- d) Include **all attachments/inserts affixed** to the proper pages.
- e) Be **securely bound in the proper N.A.I.C. color jacket** (a stapled book will not be accepted as a bound book).
- f) Include the Annual Statement Filings **Worksheet Form E-WORKSHEET.FOREIGN.**

DO NOT FILE AN ANNUAL STATEMENT DISKETTE WITH THIS DEPARTMENT.

DO NOT FILE THE RISK BASED CAPITAL REPORT/DISKETTE WITH THIS DEPARTMENT.

3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

File with the N.A.I.C. and this Department a Management Discussion and Analysis Report in accordance with current N.A.I.C. Annual Statement Instructions **not later than April 1**. This Report is considered a part of the Annual Statement and failure to timely file may result in late filing penalty assessment. **Form E-MDA MUST be completed and affixed to the front cover of the Report that is filed with this Department.** Please attach the Report with affixed completed Transmittal Form E-MDA to the Annual Statement Filings Worksheet Form E-WORKSHEET.FOREIGN.

4. ANNUAL AUDITED FINANCIAL REPORT

File with the N.A.I.C. and this Department, an Annual Audited Financial Report prepared on a **Statutory** Accounting basis, as a supplement to the Annual Statement, **on or before June 1** in accordance with the current N.A.I.C. Annual Statement Instructions. **Form E-AFR MUST be completed and affixed to the front cover of the Report that is filed with this Department.** If this Report is available to be filed with the Annual Statement, please attach the Report with affixed completed Transmittal Form E-AFR to the Annual Statement Filings Worksheet Form E-WORKSHEET.FOREIGN.

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5. CERTIFICATE OF DISCLOSURE FORM E-178 – NOT APPLICABLE TO ACCREDITED REINSURERS

This form should be **directed immediately** to EXECUTIVE OFFICERS or DIRECTORS, WHO ARE LISTED ON THE JURAT PAGE for complete execution and notarized original signatures. Incomplete certificates will be returned for completion and may result in statutory penalty of \$25 per day and/or other disciplinary action by this Department. Attach the Form E-178 to the Annual Statement Filings Worksheet Form E-WORKSHEET.FOREIGN.

6. CERTIFICATE OF COMPLIANCE– NOT APPLICABLE TO ACCREDITED REINSURERS

File an **original** Certificate of Compliance that is **certified** by an official of the regulatory agency in the state of domicile listing the kinds of insurance the insurer is authorized to transact in that state. If the certificate only lists numerical statutory citations, attach copies of the appropriate code sections that define the numerical citations.

7. CERTIFICATE OF DEPOSIT – NOT APPLICABLE TO ACCREDITED REINSURERS

File an **original Certificate of Deposit** listing the amounts and class of securities held in trust for the benefit of ALL of the insurer's policyholders, wherever located, that is **certified** by an official of the regulatory agency in the state of domicile AND/OR certifications from OTHER state regulatory authorities where a deposit is held to satisfy the minimum deposit requirement of the State of Arizona. Securities on deposit are measured by the LESSER of par value or market value and the minimum amount required by this state, in most cases, is \$500,000. Companies with deposit deficiencies will be subject to disciplinary action, such as suspension or revocation of the Certificate of Authority.

8. ADVERTISEMENTS OF DISABILITY INSURANCE COMPLIANCE – APPLICABLE TO INSURERS AUTHORIZED TO TRANSACT DISABILITY (HEALTH) INSURANCE IN ARIZONA

Each insurer engaged in the advertisement of policies defined in A.A.C. R20-6-201(A)(2) must **file with the Annual Statement a certificate executed by an authorized officer** of the insurer which attests that the advertisements which were disseminated by the insurer during the preceding calendar year complied or were made to comply with the provisions of the Arizona insurance laws to the best of his/her knowledge, information and belief. There is no prescribed certificate form.

9. OTHER SUPPLEMENTS AND EXHIBITS – AS APPLICABLE

The Accident & Health Policy Experience Exhibit (**due April 1**) and any other applicable Annual Statement Supplements or Exhibits listed on the applicable N.A.I.C. Filing Checklist must be filed in hard copy form by the due date specified on the form.

ALL ANNUAL STATEMENT FILINGS ARE DUE MARCH 1ST UNLESS STATED OTHERWISE. IF THE DUE DATE falls on a Saturday or Sunday, the deadline will be extended to the following Monday for that year only. STATUTORY PENALTIES FOR LATE FILING AND PAYMENTS WILL BE ENFORCED.

PLEASE NOTE OUR "POSTMARK POLICY" APPLICABLE TO STATUTORY FILINGS, AS IT IS ENFORCED BY THIS DEPARTMENT: To be considered a TIMELY filing, the package containing the filing must display validation by the United States Postal Service* as proof of the date of filing. Courier deliveries must include an invoice bearing the date of courier pick-up. If your package does not provide evidence of a timely mailing it will be considered filed WHEN RECEIVED and statutory penalties, where applicable, will be assessed.

*Postage meter stamps do not qualify.

<p>SECTION II: THE ITEMS LISTED BELOW ARE REQUIRED IN ADDITION TO SECTION I INSTRUCTIONS FOR THE SPECIFIC TYPE OF INSURER OR REINSURER UNDER WHICH THEY ARE LISTED.</p>
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1. LIFE AND/OR DISABILITY INSURER:

A. STATE PAGE 25 for Arizona Business.

B. CERTIFICATE OF VALUATION

LIFE INSURERS must file an **original Certificate of Valuation** attesting to the policy obligations outstanding at the end of the calendar year **certified** by a duly authorized official of the regulatory agency in the insurer's state of domicile.

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C. THE FOLLOWING EXHIBITS AND REPORTS, AS APPLICABLE, MUST BE SENT UNDER SEPARATE MAILING TO ATTENTION: LIFE AND HEALTH DIVISION, at the street address listed above. **DO NOT mail these forms in the Annual Statement envelope.** Phone (602) 364-2393 for assistance.

- 1) Pursuant to A.R.S. § 20-1602 and A.A.C. R20-6-604.07:
 - a. **Credit Insurance Experience Exhibits (due April 1).** Direct business only - excludes assumed. Must be filed for Arizona only. A "NO" response to the Question on Page 1, make Pages 2 through 7 unnecessary.
 - b. **Credit Life and Disability Insurance Experience Reports (due April 1).** To be filed by insurers transacting credit insurance business in Arizona. Forms are prescribed in A.A.C. R20-6-604.07. These forms can be found on our web site at <http://www.id.state.az.us/insurers.html> by scrolling down to heading "Surveys and Other Reporting Forms" and click on "Life and Health Division Reporting Forms."
- 2) **Actuarial Certification of Rates for Small Employer Health Benefits Plans** pursuant to A.R.S. § 20-2311(E) (due April 1).
- 3) **Health Insurance Portability and Accountability Act Reports (due March 1).** To be filed by insurers that offer health insurance coverage in the individual market pursuant to A.R.S. § 20-1382. If NOT REQUIRED, please indicate on form. Use Forms HIPAA-3/1, HIPAA-I, HIPAA-II and HIPAA-III. These forms can be found on the Arizona Web Site at <http://www.id.state.az.us/insurers.html> by scrolling down to heading "Surveys and Other Reporting Forms" and click on "Life and Health Division Reporting Forms."

2. PROPERTY AND/OR CASUALTY INSURER:

- A. **STATE PAGE 20 for Arizona Business.**
- B. **Form E-PC.INDINS** Report of Policies Issued to Industrial Insureds
- C. **THE FOLLOWING EXHIBITS AND REPORTS, AS APPLICABLE, MUST BE SENT UNDER SEPARATE MAILING TO ATTENTION: LIFE AND HEALTH DIVISION**, at the street address listed above. **DO NOT mail these forms in the Annual Statement envelope.** Phone (602) 364-2393 for assistance.
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3. MORTGAGE GUARANTY INSURER (ONLY):

- A. **STATE PAGE 20 for Arizona Business.**
- B. **Form E-MG.MPP** Mortgage Guaranty Insurers Report of Policyholders Position
- C. **Form E-MG.CEDE** Notice to Mortgage Guaranty Insurers That Cede to Lender Captive Reinsurers

4. PREPAID LEGAL INSURER (ONLY):

- A. **STATE PAGE 20 for Arizona Business.**

5. TITLE INSURER:

- A. **Form E-178 Note:** Part D must be answered yes or no.

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6. FRATERNAL BENEFIT SOCIETY:

A. State Page 24 for Arizona Business.

B. THE FOLLOWING EXHIBITS AND REPORTS, AS APPLICABLE, MUST BE SENT UNDER SEPARATE MAILING TO ATTENTION: LIFE AND HEALTH DIVISION, at the street address listed above. DO NOT mail these forms in the Annual Statement envelope. Phone (602) 364-2393 for assistance.

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7. ACCREDITED LIFE/DISABILITY REINSURER:

No other filings or instructions in addition to item 1, 2 3, 4 and 9 in Section I.

8. ACCREDITED PROPERTY/CASUALTY REINSURER:

No other filings or instructions in addition to item 1, 2 3, 4 and 9 in Section I.